

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF MISSISSIPPI
DELTA DIVISION

JOE B. BAKER,

Plaintiff,

v.

NO. 2:96CV204-S-B

ALLSTATE INSURANCE COMPANY,

Defendant.

OPINION

In this cause, plaintiff alleges that defendant is liable for breach of contract and bad faith refusal to pay uninsured motorist benefits. Presently before the court is defendant's motion for summary judgment.

In pertinent part, the facts are as follows: In late 1994, the plaintiff, Joe B. Baker, was involved in an automobile accident in Tunica County, Mississippi, with Ruby Davis. Each cast blame on the other for the accident, though the law enforcement officer working the wreck found Baker at fault. As a result of the accident, Baker suffered cuts to his face and broken ribs and remained off work for some period of time. At the time, Baker was insured under an automobile insurance policy with the defendant, Allstate Insurance Company. After discussions with Baker and its own investigation of the accident, Allstate determined that Davis, not its insured, was at fault.

Six months later, Baker filed suit against Davis in the Circuit Court of Tunica County, Mississippi, seeking \$200,000.00 in actual and compensatory damages. Subsequently, he made demand on Allstate under the uninsured motorist (UM) provision of his automobile policy and

requested stacking of coverage for the three automobiles insured under the policy. Allstate denied Baker's request initially based on its determination that the policy at issue was a Tennessee policy, not a Mississippi policy, and under the law of that state, stacking of UM benefits was not permitted. In response, Baker filed suit in state court against Allstate for breach of contract and bad faith refusal to pay. Allstate removed the action to this court based on diversity jurisdiction. During the course of discovery, Allstate received copies of Baker's medical bills and determined that the UM portion of the policy was not triggered, even if the policy is governed by Mississippi law, since Baker's damages did not exceed \$25,000.00, the limit of Davis' liability policy. In late 1997, Davis sued Baker in a separate state court action to recover her damages from the accident.

As noted, this cause is presently before the court on Allstate's motion for summary judgment. The grounds underlying this request mirror those given for denial of UM coverage. Alternatively, Allstate seeks partial summary judgment on the punitive damages claim. Both state court proceedings remain pending.

Having carefully considered the matter, the court is of the opinion that rather than considering the merits of Allstate's motion and/or allowing this cause to go forward to trial, it should stay all proceedings until the state court actions are concluded. Allstate has committed no breach of contract in this cause unless (1) Davis is responsible for the accident, and (2) Baker's damages exceed \$25,000.00. These questions of liability and damages lie at the heart of the pending state court actions. In addition, to continue further with these proceedings would require the joinder of Davis as a necessary party in order to afford complete relief to all concerned. Moreover, to allow the instant cause to go forward in this posture seriously affects notions of comity between the courtene in the state court proceedings and agrees to be bound by "whatever determination is made by a [state

court] jury in those actions as to liability and the amount of damages....”

An appropriate order shall issue.

This _____ day of January, 1998.

CHIEF JUDGE